APPENDIX

Regulations Involved

Article 148 of Treasury Department Regulations No. 3 provide in part:

> Each manufacturer using specially denatured alcohol must keep Form 1482, in triplicate, covering his transactions for each month. Such form must be signed by a duly authorized person and must show all alcohol on hand, received, used, or recovered, the name by classes of the article or articles manufactured, and the quantity and formula of specially denatured alcohol used. One copy of the Form 1482 shall be retained by the manufacturer as a permanent record and shall be open to inspection by Government officers during the usual business hours. * * *
>
> Persons holding permits to use specially denatured alcohol in excess of 100 wine gallons per quarter [8] must keep a permanent record showing the following data:
>
> (1) Amount of each formula of denatured alcohol received, the date and hour of receipt if delivered by truck, and the serial numbers of the packages.
>
> (2) Amount of denatured alcohol of each formula on hand at all times.

[8] We are advised by the Alcohol Tax Unit that Permit No. S.D.A.-N.J.-1012 held by petitioner Sana Laboratories, Inc. (Pet. 3), authorized it to use over 1,200 wine gallons of specially denatured alcohol per month.

(3) Names of products in which each formula of denatured alcohol is used.

(4) Number of gallons, or amount otherwise expressed, of each separate product manufactured, together with the names and addresses of persons to whom such products are sold and delivered.

(5) The names and addresses of all persons from whom have been purchased oils, chemicals, and other ingredients used for manufacturing preparations with specially denatured alcohol, together with the original invoices showing such purchases.

Such records must be kept complete and up-to-date for a period of three years, and must at all times during regular business hours be open to inspection by Government officers. No particular form of record will be prescribed, but the data herein indicated must be ascertainable from the records and invoices kept by the manufacturer.

Article 167 of Treasury Department Regulations No. 3 provides:

> All permits and authorizations given and effective under the provisions of Title III of the national prohibition act and these regulations are on the condition and with the understanding that the operations which they authorize shall at any time within the usual business hours or at any other time when operations are carried on be subject to inspection by any officer of the Bureau of Industrial Alcohol or prohibition officer as to any requirement of the internal revenue or prohibition laws for the purposes authorized in section 34 of the national prohibition act, and any denial of or interference with such inspection will be deemed grounds for citation for revocation.

Whenever a manufacturer qualified to use specially denatured alcohol proposes to operate at hours other than between 7 o'clock a. m. and 6 o'clock p. m. or on Sundays and legal holidays, notice of intention to manufacture shall be first submitted to the supervisor and his approval therefor obtained.

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